

Fairfax County Federation of Citizens Associations
P.O. Box 3913
Merrifield, VA 22116

Elizabeth Palen, Director
Virginia Housing Commission
Division of Legislative Services
General Assembly Building, 2nd Floor
201 North 9th Street
Richmond, VA 23219

October 28, 2016

Dear Ms. Palen:

We are transmitting to you a resolution related to the work of the Short Term Rental Working Group of the Virginia Housing Commission. As we understand it, the Working Group is considering how to amend S.B. 416, which passed the Virginia General Assembly in 2016, but was sent to the Virginia Housing Commission for further study.

On October 27, 2017, the Fairfax County Federation of Citizens Associations voted to oppose S.B. 416 as currently written, and to support amending it to include the seven provisions included in our resolution.

The intent of the seven provisions is to have short term rentals operate as businesses on a level playing field with traditional bed and breakfast operations and hotels. In addition, we want our suggested provisions to reduce the significant negative impacts on the quality of life in residential neighborhoods from the lack of local and state regulation of short term rental businesses.

We appreciate this opportunity to express our views to the Virginia Housing Commission and its Short Term Rental Working Group.

Sincerely,

Matthew Bell, Corresponding Secretary
FedCorSec2017@fairfaxfederation.org

Short-Term Rental Resolution

***Adopted by the Membership of the Fairfax County Federation of Citizens Associations
October 27, 2016***

Resolution

Whereas, the Virginia General Assembly passed legislation in the 2016 session known as SB416, The Limited Residential Lodging Act (“Act”), on April 1, 2016; and

Whereas, the “Act” requires the Virginia Housing Commission to convene a Working Group of interested parties to consider issues related to short-term rentals and complete their work by December 1, 2016; and

Whereas, the “Act” creates a statutory mechanism for the regulation and taxation of short-term rental transactions by allowing home owners and residents to rent out all or a portion of their homes on a temporary basis and provide procedures to collect and remit sales and use taxes and transient occupancy taxes; and

Whereas, the “Act” provides no equivalent short-term rental licensing, inspection and tax requirements to those mandated for traditional Bed and Breakfast facilities; and

Whereas, the “Act” proposes to preclude county and municipal governments from enacting local ordinances that prohibit the use of a residential dwelling as short-term or limited residential lodging or that would impose additional regulations on host homeowners; and

Whereas, § 15.2-2200 of the Code of Virginia states the General Assembly’s legislative intent that localities are encouraged to improve the public health, safety, convenience and welfare of its citizens and that residential areas shall be provided with healthy surroundings for family life; and

Whereas, local regulations should be written and adapted to fit county and municipality circumstances and objectives; and

Whereas, we support the ability of Fairfax County to maintain local authority to plan and regulate land use within its boundaries with input of its residents;

Therefore Be It Resolved, that the Fairfax County Federation of Citizens Associations expresses its opposition to SB 416 (Limited Residential Lodging Act) as currently written and supports the following revisions to the “Act”:

- Permit all local government authorities (counties or municipalities) to exercise discretion and authority to enact ordinances to regulate short-term rentals (STRs) of residential dwellings.
- Permit Home Owner Associations (HOAs), Condominium Associations and other Common Interest Communities to maintain their authority (through their governing documents) for leasing restrictions, such as minimum leasing periods of six months.

- Require any dwelling or facility in Virginia that rents or leases accommodations through a Short Term Rental online hosting platform to register as a business with the county or municipality, fully identifying the owner/operator and local property management contact.
- Preserve local and state taxing authority related to Short Term Rentals. Require all Short Term Rental online hosting platforms, or the actual host owner/operator, to collect and remit all applicable local taxes and state taxes, including (1) Virginia Sales and Use Tax on Transient Occupancy, and (2) Virginia Localities Lodging Tax.
- Require all Short Term Rental online hosting platforms to provide a full accounting of all income/revenue collected by its dwellings or facilities, and account for any taxes collected and remitted by the hosting platform.
- Require that all dwellings and facilities that rent or lease accommodations through Short Term Rental online hosting platforms meet applicable State and local health and safety requirements and codes and be subject to inspection to ensure compliance.
- Require that all facilities that rent or lease accommodations through Short Term Rental online hosting platforms have appropriate commercial business insurance, including liability insurance.